

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 828  
PROPOSED COMMITTEE SUBSTITUTE H828-CSBRa-11 [v.4]  
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Short Title: Energy Savings Incentives/DNCR.

(Public)

Sponsors:

Referred to:

April 18, 2019

A BILL TO BE ENTITLED  
AN ACT TO PROVIDE THAT ANY ENERGY SAVINGS REALIZED BY THE  
DEPARTMENT OF NATURAL AND CULTURAL RESOURCES MAY REMAIN  
AVAILABLE TO THE DEPARTMENT FOR OTHER FACILITY UPGRADES RELATED  
TO REDUCING ENERGY AND WATER CONSUMPTION.

The General Assembly of North Carolina enacts:

**SECTION 1.** Part 2 of Article 3B of Chapter 143 of the General Statutes is amended  
by adding a new section to read:

**"§ 143-64.17N. Energy conservation savings nonreversion.**

(a) The General Fund current operations appropriations credit balance remaining at the end of each fiscal year for utilities of the Department of Natural and Cultural Resources, to the extent that credit balance represents energy savings realized from implementing an energy conservation measure, shall be carried forward by the Department to the next fiscal year and is appropriated for energy conservation measures by the Department. The use of funds appropriated under this section shall be limited to one-time capital and operating expenditures that will not impose additional financial obligations on the State. The Director of the Budget, under the authority set forth in G.S. 143C-6-2, shall establish the General Fund current operations credit balance remaining in each budget code of the Department.

(b) The Director of the Budget shall not decrease the recommended continuation budget requirements for utilities for the Department carrying forward a credit balance under subsection (a) of this section by the amount of energy savings realized from implementing energy conservation measures, including savings achieved through a guaranteed energy savings contract.

(c) The Department of Natural and Cultural Resources shall submit an annual report on the use of funds authorized pursuant to this section as required under G.S. 143-64.12."

**SECTION 2.** G.S. 143-64.12(a) reads as rewritten:

"(a) The Department of Environmental Quality through the State Energy Office shall develop a comprehensive program to manage energy, water, and other utility use for State agencies and State institutions of higher learning and shall update this program annually. Each State agency and State institution of higher learning shall develop and implement a management plan that is consistent with the State's comprehensive program under this subsection to manage energy, water, and other utility use, and that addresses any findings or recommendations resulting from the energy audit required by subsection (b1) of this section. The energy consumption per gross square foot for all State buildings in total shall be reduced by twenty percent (20%) by 2010 and thirty percent (30%) by 2015 based on energy consumption for the 2002-2003 fiscal year. Each State agency and State institution of higher learning shall update its management plan



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1 biennially and include strategies for supporting the energy consumption reduction requirements  
2 under this subsection. Each community college shall submit to the State Energy Office a biennial  
3 written report of utility consumption and costs. Management plans submitted biennially by State  
4 agencies and institutions of higher learning shall include all of the following:

- 5 (1) Estimates of all costs associated with implementing energy conservation  
6 measures, including pre-installation and post-installation costs.
- 7 (2) The cost of analyzing the projected energy savings.
- 8 (3) Design costs, engineering costs, pre-installation costs, post-installation costs,  
9 debt service, and any costs for converting to an alternative energy source.
- 10 (4) An analysis that identifies projected annual energy savings and estimated  
11 payback periods."

12 **SECTION 3.** Notwithstanding G.S. 143C-5-2, there is appropriated from the  
13 General Fund to the State Energy Office within the Department of Environmental Quality the  
14 sum of five thousand dollars (\$5,000) in nonrecurring funds for the 2019-2020 fiscal year to  
15 conduct an energy savings analysis to establish a baseline of previous energy costs, as well as  
16 post-implementation analyses, to accurately measure the cost savings of any energy conservation  
17 measures taken pursuant to Section 1 of this act.

18 **SECTION 4.** This act becomes effective July 1, 2019.